(vii) Allowing additional items within the existing duty free imports entitlement for the following employment oriented export sectors;

(a) 5 additional items for sports goods sector;

(b) Additional items for leather garments and footwear and textile items.

(viii) measures related to service tax which include, among others, exemption from service tax on following services linked to exports;

(a) service related to transport of export goods by road from any CFS or ICD to the port of Airport and on service related to transport of export goods by road directly from their place of removal, to an ICD, a CFS, a port or airport;

(b) Commission paid to foreign agents.

Misuse of electronic money transfer

1831. SHRI AMIR ALAM KHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a large number of electronic money transfer companies are operating in the country;

(b) if so, the details thereof;

(c) whether cases of misuse of the electronic money transfer by terrorist organizations through these companies have been reported to Government;

(d) if so, the details thereof; and

(e) the measures being taken by Government to tackle this menace?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) Electronic money transfer in India is operated under Money Transfer Service Scheme (MTSS) or Speed Remittance of Rupee Drawing Arrangement (RDA). Under MTSS, the Indian agents are permitted to tie-up with overseas Principals to receive inward cross-border remittances. These Indian agents undertake electronic transfer activities in India through their branches or sub-agents, and make payment to the beneficiaries. Under RDA, the exchange houses situated in Hong Kong, Singapore and Gulf countries send cross-border remittances into India. Under this arrangement, Authorised Dealer (AD) Category-I banks enter into arrangement with the Exchange Houses to receive cross-border inward remittances and make payment to the beneficiaries.

At present, 26 Indian agents and 37 AD Category-I banks are operating under MTSS and RDA, respectively.

(c) to (e) Government agencies have come across instances of use of electronic mode of money transfer channels by some terrorist outfits. Government has taken various measures to check misuse of electronic mode of money transfer channels which, *inter-alia*, include due diligence for appointment of agents, sub-agents or sub-sub-agents under MTSS, Know Your

Customer (KYC) requirement for making payment to the beneficiaries, reporting of transactions under the Prevention of Money Laundering Act, 2002 and extant Reserve Bank of India (RBI) guidelines and enactment of Payment and Settlement Act, 2007.

NPAs of public sector banks

1832. SHRI M.P. ACHUTAN:
SHRI D. RAJA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Non-Performing Assets (NPAs) of the Public Sector Banks have gone up recently after the global economic slow down started; and

(b) if so, the details thereof and Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) and (b) The amount of Gross non-performing assets (NPAs) of Public Sector Banks (PSBs) have slightly increased from Rs. 39,749 crore as on 31st March, 2008 to Rs. 43,676 crore as on 31st March, 2009. However, the Gross NPAs to Gross Advances ratio and Net NPAs to Net Advances ratio of these banks have declined from 2.3% to 2.08% and 1.08% to 0.99%, respectively, between March, 2008 and March, 2009. The Government is ensuring that the targets of Gross NPAs, set by the PSBs in their 'Statement of Intent on Annual Goals' for 2009-10, are such that they strive to contain the level of their Gross NPAs within acceptable limits.

Cases reported to Fraud Monitoring Cell

1833. SHRI T.K. RANGARAJAN: Will the Minister of FINANCE be pleased to state:

(a) how many cases of fraud involving the Scheduled Commercial Banks have so far been reported to the Fraud Monitoring Cell of the Reserve Bank of India for the period April, 2005 to March, 2008; and

(b) what is the action taken by the Fraud Monitoring Cell in such cases and the results thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) Reserve Bank of India (RBI) has reported that the total number of cases of frauds and amounts involved as reported by the Scheduled Commercial Banks to RBI during three financial years (2005-2008) are as under:

(Amt. in Crore)

April 2005 to March 2006		April 2006 to March 2007		April 2007 to March 2008	
No. of Cases	Amount	No. of Cases	Amount	No. of Cases	Amount
13919	1380.80	23618	1193.96	21245	1058.12